

Message Text

LIMITED OFFICIAL USE

PAGE 01 MOSCOW 00792 201116Z

44

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 EB-07 FRB-03 INR-07

NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02 CIEP-01

LAB-04 SIL-01 OMB-01 DODE-00 PM-04 H-02 L-03 NSC-05

PA-01 PRS-01 SS-15 SAI-01 /087 W

----- 049547

R 200932Z JAN 76

FM AMEMBASSY MOSCOW

TO SECSTATE WASHDC 8872

INFO AMEMBASSY BONN

USDOC WASHDC

LIMITED OFFICIAL USE MOSCOW 0792

USDOC FOR BEWT/USSR

E.O. 11652: N/A

TAGS: ETRD, EEWT, UR, WW

SUBJECT: OUTLOOK FOR FRG-SOVIET TRADE

1. DURING DISCUSSION JANUARY 16 WITH FRG COMMERCIAL COUNSELOR JOHNE, COMMERCIAL ATTACHE ASKED WHETHER GERMANS WERE UNEASY OVER THEIR TRADE PROSPECTS WITH USSR IN LIGHT OF ENORMOUS (3.8 BILLION DM) TRADE SURPLUS THEY ENJOYED WKTH USSR IN 1975.

2. JOHNE SAID GERMANS WERE OPTIMISTIC THAT SOVIETS WOULD TAKE NO SPECIAL MEASURES TO RESTRICT IMPORTS FROM FRG, AT LEAST DURING 1976. HE NOTED THAT DURING RECENT MEETING WITH VISITING FRG TRADE OFFICIALS, SOVIET DEPUTY MINISTER OF FOREIGN TRADE A.N. MANZHULO, IN DISCUSSING 1975 SOVIET TRADE DEFICIT WITH FRG, HAD SAID THAT CURRENT SITUATION COULD GO ON FOR "A YEAR OR SO" BUT THAT SOVIETS COULD NOT RPT NOT LIVE WITH DEFICIT INDEFINITELY. JOHNE SAID THAT GERMANS BELIEVE EXPECTED ULUWING#IN FRG EWONOMY WHICH WILL CREATE DEMAND FOR ADDITIONAL DELIVERIES OF SOVIET RAW MATERIALS, PLUS GROWING DELIVERIES OF SOVIET
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MOSCOW 00792 201116Z

C

TO FRG WILL SERVE TO REDUCEZDEFICIT TO ACCEPTABLE (FOR SOVIETS) LEVEL. HE ALSO POINTED OUT THAT SUBSTANTIAL SHARE OF FRG DELIVERIES TO USSR ACCOUNTED FOR BY WIDE-DIAMETER PIPE, MOST OF WHICH WILL BE PAID FOR IN FUTURE DEUIVERIES OF SOVIET GAS.

3. COMMENT: COMMERCIAL OFFICE BELIEVES THAT GERMAN OPTIMISM REGARDING TRADE PROSPECTS IN USSR IS WELL-FOUNDED. WE HAVE FOUND THAT IN MACHINERY JEA, FRG FIRMS ARE FORMIDABLE COMPETITORS AND HAVE WALKED OFF WITH BULK OF SOVIET ORDERS FOR MACHINE TOOLS AND METALLURGICAL EQUIPMENT. IMPORTANCE OF SOVIET MARKET FOR FRG MACHINE TOOL INDUSTRY IS DEMONSTRATED, INTER ALIA, BY EXHIBITION PLANNED FOR APRIL 1976 IN MOSCOW WITH PARTICIPATION OF 162 FIRMS. GERMANS HAVE TAKEN OVER 3,000 SQUARE METERS OF EXHIBIT SPACE FOR THIS SHOW, WHICH WILL BE LARGEST COMMERCIAL EXHIBITION EVER STAGED BY ONE COUNTRY IN USSR. A POWERFUL FACTOR IN FRG COMMERCIAL SUCCESS IN USSR HAS BEEN, AND WILL DOUBTLESS CONTINUE TO BE, VERY CLOSE WORKING RELATIONSHIP BETWEEN MAJOR GERMAN BANKS AND EXPORTERS. THIS RELATIONSHIP, HAS MADE AVAILABLE LARGE AMOUNT OF FINANCING FOR FRG EXPORTS TO USSR, OSTENSIBLY AT LOW RATES WHICH SOVIETS DEMAND. STOESEL

NOTE BY OC/T: TEXT AS RECEIVED.

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, ECONOMIC ESTIMATES
Control Number: n/a
Copy: SINGLE
Draft Date: 20 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MOSCOW00792
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760021-0399
From: MOSCOW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760141/aaaabkep.tel
Line Count: 87
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 26 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 APR 2004 by izenbei0>; APPROVED <12 MAY 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OUTLOOK FOR FRG-SOVIET TRADE
TAGS: ETRD, EEWT, UR, GE
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006